TEXAS DEPARTMENT OF INSURANCE
Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)
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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name
Universal DME

Respondent Name
Travelers Indemnity Co

MFDR Tracking Number
M4-16-3824-01

Carrier's Austin Representative
Box Number 5

MFDR Date Received
August 25, 2016

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Per EOB it stated that claim/service lacks information which is needed for adjudication, additional information is supplied using remittance advice remarks codes whenever appropriate, the supply charge was disallowed as it was not adequately identified. We have sent all proper documentation for their review along with the company's authorization #00003E6P6799. On 07/14/2016 we sent our appeal for payment, and on 08/10/2016 the appeal was denied for all the same reasons."

Amount in Dispute: $838.75

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The Carrier has reviewed the documentation and contends the Provider has been properly reimbursed. Reimbursement for the set-up fee is included in the reimbursement for the device being set up. The crutch was denied reimbursed as the documentation attached to the bill did not provide sufficient documentation of the service being rendered."

Response Submitted by: Travelers

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
June 21, 2016	E0118, A9901	$838.75	$0.00

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.203 sets out the reimbursement guidelines for professional medical

services.

3. 28 Texas Administrative Code §134.1(f) which details medical reimbursement.
4. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
   - 16 – Claim/service lacks information which is needed for adjudication. Additional information is supplied using remittance advice remarks codes whenever appropriate
   - 97 – Payment adjusted because the benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated
   - 8 – The supply charge was disallowed as it was not adequately identified. Please resubmit with invoice
   - 973 – The reimbursement for this line item has been included in the payment recommendation(s) for all covered services which are reported on another line or lines
   - W3 – Additional payment made on appeal/reconsideration

Issues

1. What is the applicable fee rule?
2. Did the requestor provide documentation to support requested payment amount?
3. Is separate payment for delivery allowed?

Findings

1. Review of the submitted medical claim finds the code in dispute is E0118 which is defined as "Crutch substitute, lower leg platform, with or without wheels, each." Durable medical equipment is subject to 28 Texas Administrative Code 134.203(d)(3) which states,

   The MAR for Healthcare Common Procedure Coding System (HCPCS) Level II codes A, E, J, K, and L shall be determined as follows:

   > (1) 125 percent of the fee listed for the code in the Medicare Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) fee schedule;
   >
   > (2) if the code has no published Medicare rate, 125 percent of the published Texas Medicaid fee schedule, durable medical equipment (DME)/medical supplies, for HCPCS; or
   >
   > (3) if neither paragraph (1) nor (2) of this subsection apply, then as calculated according to subsection (f) of this section.

   Review of the applicable DMEPOS fee schedule finds no fee schedule amount for E0118 - NU. Review of the Texas Medicaid fee schedule finds no fee schedule amount for E0118 - NU. The service in dispute will be reviewed pursuant to 28 Texas Administrative Code §134.203(f) which states,

   > For products and services for which no relative value unit or payment has been assigned by Medicare, Texas Medicaid as set forth in §134.203(d) or §134.204(f) of this title, or the Division, reimbursement shall be provided in accordance with §134.1 of this title (relating to Medical Reimbursement).

2. The division concluded above that §134.1 applies and states,

   Fair and reasonable reimbursement shall:

   > (1) be consistent with the criteria of Labor Code §413.011;
   > (2) ensure that similar procedures provided in similar circumstances receive similar reimbursement; and
   > (3) be based on nationally recognized published studies, published Division medical dispute decisions, and/or values assigned for services involving similar work and resource commitments, if available.

   For that reason, 28 Texas Administrative Code §133.307(c)(2)(O) also applies and, requires the requestor to provide "documentation that discusses, demonstrates, and justifies that the payment amount being sought is a fair and reasonable rate of reimbursement in accordance with §134.1 of this title (relating to Medical Reimbursement) or §134.503 of this title (relating to Pharmacy Fee Guideline) when the dispute involves

health care for which the division has not established a maximum allowable reimbursement (MAR) or reimbursement rate, as applicable."

Review of the submitted documentation finds:

- The requestor does not discuss or demonstrate how reimbursement of $748.75 for code E0118 -NU is a fair and reasonable reimbursement.
- The requestor did not submit documentation to support that payment of the amount sought is a fair and reasonable rate of reimbursement for the services in this dispute.
- The requestor did not discuss or support that the proposed methodology would ensure that similar procedures provided in similar circumstances receive similar reimbursement.
- The requestor did not submit nationally recognized published studies or documentation of values assigned for services involving similar work and resource commitments to support the requested reimbursement.
- The requestor did not support that payment of the requested amount would satisfy the requirements of 28 Texas Administrative Code §134.1.

For the reasons stated, the division concludes that the requestor failed to support its request for reimbursement. For that reason, no reimbursement can be recommended.

3. The carrier denied code A9901 as "97-Payment adjusted because the benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated." Based upon the CMS Medicare Claims Processing Manual, Chapter 20 - Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS), Section 60 which states in pertinent part,

> *Payment for Delivery and Service Charges for Durable Medical Equipment. Therefore, DME MACs may not allow separate delivery and service charges for oxygen or DME except as specifically indicated in §§90 or in rare and unusual circumstances when the delivery is not typical of the particular supplier's operation.*

The requestor provided insufficient documentation to support that any exceptions indicated in Chapter 20, Section 60, were met which led to support a rare and unusual circumstance led to the charge for delivery. The Division finds that the carriers' denial is supported. As a result, separate payment is not recommended.

Conclusion

For the reasons stated above, the Division finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is $0.00.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the requestor is entitled to $0.00 additional reimbursement for the services in dispute.

Authorized Signature

		September 29, 2016
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, 37 *Texas Register* 3833, applicable to disputes filed on or after June 1, 2012.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.